

OGC Has Reviewed

10 October 1973

MEMORANDUM FOR: Mr. Warner

SUBJECT : Collection of Government Claims

1. You asked me to determine from the General Accounting Office the monetary limits below which they do not process claims. I spoke to Mr. John Gibbons, Chief, Claims Division, GAO, and he explained that under the authority of the Federal Claims Collection Act of 1966 (31 U.S.C.A. 952) the Federal Claims Collection Standards (Part 101 of Title 4 of the Code of Federal Regulations) establishes their authority to set the monetary limit for claims submitted to them (4 C.F.R. 105.7). The current limit is set forth at Title 4, Section 5613 in the General Accounting Office Policy and Procedures Manual for the Guidance of Federal Agencies. That limit is \$200, below which the GAO will not process. Specifically, Section 56.3 states that:

Debts shall not be reported when the total amount due is less than \$200, but a series of smaller debts involving the same debtor and aggregating \$200 or more shall be reported.

Apparently, there is no requirement for the debts to have arisen from the same transaction.

2. Mr. Gibbons further advises that claims of less than \$400 are not referred to the Department of Justice for litigation. However, 4 C.F.R. 105.6 states that:

Agencies will not refer claims to the Department of Justice/ of less than \$400, exclusive of interest, for litigation unless (a) referral is important to a significant enforcement policy or (b) the debtor has not only the clear ability to pay the claim but the Government can effectively enforce payment....

OGC:JED:cap

Original - CLAIMS

1 - JED Signer

1 - Chrono